

**REMARKS/ARGUMENTS**

Claims 1-14 were pending in this application. In this Amendment, claims 1-14 are canceled. Claims 15-27 are added. Accordingly, following entry of these amendments and remarks, claims 15-27 will be pending for examination. Applicant submits that no new matter is introduced by this amendment and request examination of the pending claims.

In the Office Action, the Examiner rejected all claims under 35 USC §101 as being directed to non-statutory subject matter and as failing to transform the underlying subject matter to a different state or thing. The Examiner has also rejected all claims as being indefinite under 35 USC §112, ¶2. Further, claims 1-2, 4-5 and 7-8 are rejected as being anticipated under 35 USC §102(b) by US Patent Publication No. 2001/0034619 to Sherman et. al. (hereafter “Sherman”). The remaining claims are rejected under 35 USC §103(a) as being unpatentable over Sherman alone (claims 3, 6 and 9-10) or over Sherman in view of US Patent Publication No. 2002/0198743 to Ariathurai et. al. (hereafter “Ariathurai”) (claims 11-14).

Each of these rejections is addressed herein.

**Claim Rejections - 35 USC §101**

New claim 15 recites “a computer-implemented method” for buying and selling in-force insurance policies. The method recited in claim 15 does not contain purely mental steps, but now also recites a statutory class item that carries out the method. Thus, the Applicant believes that the first prong of the new Federal Circuit Court decision, as mentioned in the Office Action on page 2, has been satisfied.

Thus, claim 15 and its dependent claims 16-27, are allowable under §101.

**Claim Rejections - 35 USC §112 ¶2**

New claims 15-27 have been added to more clearly recite the subject matter of the present invention. The phraseology objected to by the Examiner in the Office Action has been replaced in the new claims.

**Claim Rejections - 35 USC §102(b)**

Sherman fails to disclose or suggest each element of claim 15. For example, claim 15 recites “locating, from among the plurality of in-force policies, those in-force policies

whose owners are willing to entertain offers from potential buyers to buy the owner's policy." In one embodiment of the present invention, owners of in-force insurance policies who are willing to sell or entertain offers to buy their polices are located. Potential buyers can then review information and decide whether to make an offer to the owner to buy his/her policy.

In contrast, Sherman is directed at providing additional insurance to already insured persons. In Sherman, an already insured party is offered a chance to buy additional insurance. "The additional insurance network 110 provides an offer for additional life insurance to an insured party 130 after at least one underlying or primary life insurance plan 140 identifying the insured party 130 is issued by an approved primary insurer 120a." (Sherman at Col 4, lines 52-56).

There is no disclosure in Sherman about currently insured persons selling or entertaining offers to buy their current policy. Thus, Sherman does not disclose the above-mentioned element of claim 15. Therefore, claim 15 is allowable over Sherman. Claims 16-27, which depend on claim 15, are also allowable for at least the reasons stated above and for the additional elements that they recite.

### CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance. The issuance of a formal Notice of Allowance at an early date is respectfully requested. If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 650-326-2400.

Respectfully submitted,

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